

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL MEMORANDUM

SB 66 – HB 516

May 6, 2009

SUMMARY OF AMENDMENT (007418): Deletes all language after the enacting clause. Broadens the definition of “services” to include income-based entitlements such as public housing. Broadens the offense of theft of services to include intentionally obtaining income-based entitlements, such as public housing, by deception, misrepresentation, impersonation, fraud, or concealment.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$35,500/Incarceration*

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions applied to amendment:

- Theft is currently punished according to the value of the property or services obtained ranging from a Class A misdemeanor to a Class B felony.
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. No significant incarceration cost increase will occur due to population growth in this period.
- According to the Department of Correction (DOC), the average operating cost per offender per day for calendar year 2009 is \$59.80.
- DOC estimates one additional offender per year will be admitted for a Class E felony as a result of this bill. The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on one offender. According to DOC, the post-conviction average time served for a Class E felony is 1.63 years. The cost per offender at 1.63 years is \$35,548.11 (\$59.80 x 594.45 days).

- Due to the small number of offenders and the relatively short time served, no recidivism discount has been applied for these offenses.
- A small increase in cases in the court system, which will result in additional state and local government expenditures for processing the cases and additional state and local government revenue from fees, taxes and costs collected. These expenditures and revenue are estimated to be not significant.

**Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible.

James W. White, Executive Director

/lsc